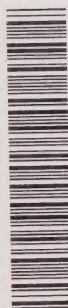


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Submission to the
Commission on the
Costs of Transporting Grain
by Rail

1976

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national farmers union

Submission

to the

Commission on the Costs of Transporting Grain by Rail

Winnipeg, Manitoba

April 19, 1976

Presented by Alfred Moore



NATIONAL FARMERS UNION
SUBMISSION TO
THE COMMISSION ON THE COSTS
OF
TRANSPORTING GRAIN BY RAIL
APRIL 19, 1976.

1. We appreciate the opportunity of appearing before your Commission on the Costs of Transporting Grain by Rail.
2. The National Farmers Union is a voluntary association of Canadian farmers incorporated by Act of Parliament of Canada given Royal Assent June 11, 1970.
3. National Farmers Union members produce a wide variety of commodities, ranging from grain, livestock, dairy to fruit and vegetables, they depend on rail service as the vital transportation link between their farms and domestic and international markets.
4. Given the geography of our country, some 4,000 miles in length from the Atlantic on the east to the Pacific on the west, varying in depth from 100 to 500 miles north and south. Much of this territory is sparsely populated with great distances between the rural hinterland and centres of population, thus the need for a railway network that is efficient, provides low cost to the users of the service, and has the capacity to handle an ever growing volume of freight and other cargo.

5. Rail transport in this country must be an instrument for regional economic and social development functional to Canada's National Policy. It must be a means to that end, not the end in itself. Toward that objective, Canada's transport system must be a system through which all modes of transport are functionally integrated. This integrated systems approach must be for the purposes of conservation and development. Conservation of land, energy, materials and people. Development for the human growth of Canadian people, their communities, their province and their country, socially and economically.

6. It is within this context, we base our submission.

NFU TRANSPORTATION POLICY STATEMENT

a) The movement of goods and people determines to a large extent the location and nature of communities and dictates location and concentration of industrial growth and patterns of resource development.

b) Modes of transportation include waterways, railways, highways, pipelines and airlines. The location and use of transport facilities should complement one another in a manner that will ensure rational development of all regions of the country, the best use of energy, capital investment in facilities, and human resources employed in the transportation industry.

c) All forms of transportation should be designed and operated on the principle of providing needed services in the movement of goods and people and not to fill the pocketbooks of shareholders of private companies.

d) In Canada we have a mix of public and private ownership and management of transportation facilities which leaves us with the worst of two worlds.

e) In cases where there is public ownership there is also private intervention and competition which largely negates any benefits that may be derived from public ownership.

f) In cases where there is private ownership, public assistance is provided to subsidize the operation, which distorts any attempts to evaluate or compare the alternatives.

g) The end result of this mix leads to wasteful duplication of service and facilities, misallocation of resources and in many instances inferior service. It can be said that the people of this country serve the needs of those supplying transport rather than the providers of transport serving the people.

h) It is documented that rail transport is from four to six times more efficient in the use of energy than truck transport and ten times more efficient than air transport.

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i) Yet we are continually diverting more and more of the movement of goods and people onto our already crowded highways.

j) To correct the overall situation we recommend that all forms of transportation as outlined in Section 2 be nationalized in order to make transportation an effective instrument of National Policy in the rational development of our country.

POLICY ON RAIL TRANSPORTATION

i) Rail transportation being vital to the maintenance of Canada as a nation, should be publicly owned and operated. CP Ltd. should be expropriated by the government of Canada and its rail operations merged with the CNR under single management. Rail rates should be adjusted in a manner that will allow all regions of Canada to develop on an equal basis in respect to transportation costs. The statutory Crows Nest rates on western grain and "At and East" rates to the Maritimes must remain. The cost of movement of goods over the "bridge" from Sudbury to Thunder Bay should be borne by the federal government. A rail link should be built from Ashcroft to Clinton, connecting the CNR to the B.C. Railroad providing an alternative to the Fraser Canyon route to Vancouver.

ii) Rail facilities must be maintained to adequately service all regions of the country. Motive power and rolling stock must be not only maintained but upgraded and expanded to a level which will meet transportation requirements both as to kind and quantity.

iii) In the interest of energy conservation, land preservation and cost efficiency, Canada's transportation system should be deliberately designed to place emphasis on rail movement of cargo and people in contrast to the trend toward increasing highway transport.

7. In our opinion, the Terms of Reference given your Commission by the Federal Government, are in fact, too narrow.

8. We believe that the terms of reference strategy as outlined in costing only statutory grain (Sections #271 and #414 of the Railway Act) in the final analysis, only serves to intensify pressure to eliminate the "Crows Nest" or statutory rate through incomplete analysis.

9. We wish to emphasize that as a result of the grain growing industry in the prairie region, there are spin-off effects for the railways, that the movement of grain is not the only freight traffic revenue accruing to the railways from which they profit.

10. As a result of grain production, there is a movement of farm machinery, minerals, chemicals, fertilizer, lumber, trucks, cars, fuel, livestock, among other commodities being hauled. Therefore, in order to identify correct costs, sources and allocation of revenue, which accruing to the statutory grain haul, a global analysis of all economic activity that accrues to the railway as a result of the grain haul is essential.

Otherwise, it is our contention cost allocations are currently weighed excessively against statutory grain revenue.

Later in the submission we will support this contention. We submit, however, it is our opinion that a global analysis would reveal further important evidence in this regard.

11. In analysing material we have received from your Commission and through our involvement on the Technical Committee, we make our concerns known.

12. We do not pretend to be experts in sophisticated cost analysis, therefore, we leave that field to others including the technicians of your Commission. Nevertheless, as generalists representing affected farm people, we will raise issues and pose questions which we feel your Commission must fully investigate, if good and welfare is to be served.

13. The 1974 financial statements of CN and CP show a total revenue generated (from carload and express services of CN and rail freight revenue of CP) of \$2,126,670,194 from rail revenue from coast to coast while our analysis of the Commissions Traffic Study from Thunder Bay and Armstrong west (statutory grain and other traffic) show \$953,147,518 of revenue generated.

14. The inquiry area then originates and terminates 44.82% of total revenue.

15. From our analysis of the Commission Traffic data study, we find that weight utilization of grain carloads for CN were 57.8 tons per carload and for CP 64.76 tons per carload.

16. The same analysis shows that weight utilization of carloads for non-grain traffic were for CN 60.21 tons per carload and for CP 49.51 tons per carload.

17. We believe that improved weight utilization within limits can provide cost savings.

18. Railways claim in their opinion that reduced car turnarounds are essential and a cost saver, yet they continue to ignore this very area by allowing grain cars to sit for long periods of time following loading which adds to this problem, as well as the utilization of equipment.

19. In a study done by the National Farmers Union between February 28 and March 6 in 1974 (Appendix 'A') on delays in spotting cars at country elevators by both CN and CP, we discovered that in getting cars spotted, it was taking an average of 45.62 days in Saskatchewan, 40.38 days in Manitoba and 36.38 days in Alberta, with an overall average of 42.49 days. This delay ranged from a low of 14 days to a high of 73 days.

20. The results of the same study show delays in moving loaded grain cars to terminal positions for export. Cars were left sitting after being loaded in Saskatchewan an average of 28.51 days, in Manitoba an average of 18.83 days and in Alberta an average of 24.65 days, for an overall average of 26.55 days. These delays ranged from 10 to a high of 80 days.

21. A study by the Saskatchewan Wheat Pool during October and November of 1975 on 32,284 cars (Appendix 'B'), show that cars from the sample sat at the delivery point loaded for an average of 16.12 days; from 9 days to a high of 30 days.

22. During 1973 in order to assure increased grain delivery capacity, the Government of Canada purchased and made available for railway service 2,000 hopper cars. Under the agreement, CPR received 1,074 cars and the CNR received 926 cars.

23. In studying traffic data, we find during 1974, CNR hauled 169,845 loaded grain cars. It is important to note that 8.38% or 14,232 car loads were government hopper cars.

24. Government hoppers in the CNR system averaged 15.37 trips each or a trip every 23.75 days.

25. During 1974, CPR, according to the data, hauled 166,274 carloads. Of this total, 10.39% or 17,279 car trips were government hopper cars.

26. The average government hopper car in the CPR system made 16.1 trips or a trip every 22.67 days.

27. On December 31, 1974, CNR showed an inventory of 55,247 grain cars; these included both boxcars and hopper cars. Of this total, 926 were government hopper cars. Further analysis shows that 56.98% of these cars hauled 95.98% of the grain.

28. During 1974, CNR hauled 729,645 loaded cars. This represented 501,521 cars of non-grain cargo and 219,124 carloads of grain. An analysis of utilization reveals only 13.21 trips and a turnaround time of 27.63 days.

29. During the Grain Handling and Transportation Seminar held in Saskatoon, March 8 & 9, 1973, Mr. Eric Stephenson, Vice-President of Cybernetic Services, Canadian National Railway, in speaking of railway Component Capital Needs, said, "The challenge is to lower the figure and then to find the reduced sum of money required; one day less in the average car cycle saves \$35 million capital.

30. We believe these examples indicate there is plenty of room for improvement in the car cycle time. The 1974 cost figures include the excess cost of these inefficiencies, and should be taken into account and identified quantitatively by your Commission. The purpose of this undertaking is to determine current improvements in car cycle and to propose the ideal from a net revenue point of view.

31. Full cost accounting and utilization records be kept on all government hopper cars, for public reference.

32. Current practices by the railroads in recording and allocating fuel costs are not standard or consistent between railways;

A. The CNR uses the Davis formula which is an engineering technique they apply to develop fuel costs.

B. CPR have their road and yard engine men record the estimated gallons of fuel consumed by each unit. These records are processed to produce a monthly report.

33. The actual deliveries of fuel reported by their fuel agents are used to allocate fuel costs to each service expense account on a percentage basis.

34. The formula for this allocation of costs arises from the monthly records of their estimate of fuel consumed by each unit.

35. These records processed and produced monthly are used to distribute wage and fuel costs consumed by each kind of service on percentage basis.

36. We believe these methods based, in large measure, on rough estimates will contribute to distortions in calculating unit costs.

37. A more accurate method needs to be used to determine actual cost based on proper allocation between services, if your Commission is to arrive at a proper cost data.

38. Since 1965 we have seen a number of changes in the administration of carload freight. Canadian National have closed some 160 stations. Canadian Pacific closed some 475 stations replacing the local stations with CN Servocentres and CP Customer Service Centres.

39. Since the introduction of the Grain Block shipping system, the responsibility for billing grain cars is transferred from the local station agent (who in most cases no longer exists) to the responsibility of the local elevator agent.

40. * CP have 112 stations left in operation, with from 8 hr. - 24 hr. coverage, while CN have 284 stations with 18 caretakers, 239 train order operators and 226 agents in the area.

(*Railway information)

41. We submit that the related stations expenses (investment in buildings, depreciation, cost of capital, operating expenses, wages) be excluded from grain transportation costing; while they still exist, they are functional to truck transportation or non-grain freight.

42. We believe that only the time related costs of the Servocentres and Customer Service Centres, such as billing of grain cars be charged.

43. We propose the Commission examine "The influence of Marathon Realty on CP rail costs and revenues". (5.233 Statement of Issues).

44. Marathon Realty incorporated in 1963, with assets of a million acres of land, making it one of the largest landowners in the country, about half of this being rural land and the rest urban land.

45. The rural land was leased out to farmers and the urban land located in Winnipeg, Vancouver, Calgary and Toronto. (The C.P.R. by Robert Chodos.)

46. Marathon now reports its holdings to be 550,000 acres (Business Week Feb. 23, 1976).

47. 1974 financial statement of C.P.I. shows -
Real estate and related operations:

- Gross rentals and other income - \$50,694,000

- Expenses including income taxes - \$45,112,000

Net Income - \$ 5,582,000

48. Whereas C.N.R. receives revenue from elevator site rental, all elevator rental for sites on C.P.R. right of way is diverted to Marathon Realty and is not available through C.P. rail, where, in our view it should legitimately go. To the extent this practise is followed, the revenue from grain (site lease arrangements) is lost to C.P. rail and its potential operational ability impaired.

49. It is reported that Marathon Realty acts as an agent for C.P. rail in looking after the real estate portion of the rail line (taxes). We ask the question - What costs, if any, are charged to the grain haul through this practise?

50. According to our calculations based on 1974 data received from the Commission, C.N.R. received \$194,526.17 from elevator and terminal lease arrangements.

51. a) To the extent lease revenue for elevator sites accrues to the C.N.R. revenue is generated.
- b) What revenue would accrue to their grain operations if C.P.R. applied the same business principle?
- c) Should not this diverted revenue for commission costing purposes be calculated as revenue accruing to the grains operation?
52. In the operational decisions made by railway management for operational convenience, extra car miles are generated.
53. We present the following examples;
- a) Grain from Manyberries, Alberta, destined to Thunder Bay going to Lethbridge - Calgary and then east to Thunder Bay, instead of east to Assiniboia and Moose Jaw, then Thunder Bay;
- b) Cross haul between Edmonton and Calgary - C.N. hauls cars north to Edmonton while C.P. hauls cars south to Calgary;
- c) Meadow Lake, Saskatchewan, grain going east to Prince Albert, south to Regina and then to Thunder Bay or Vancouver (11% going to Vancouver).

54. We submit the cost of management decisions for operational convenience, for the purposes of your Commission's calculations, should be broken down and stripped from grain costing.

55. At the Montreal Technical Committee meeting, C.T.C. told us that "capital cost" allowances in computing subsidy on branch lines for:

1973 = 13.92%

1974 = 17.04%

Debt equity ratio 30/70%

and that the rates were about double before taxes. We are now informed these figures represent an after tax return on calculated invested capital. Which is correct?

56. If railways claim to lose money on their grain related branch-line operations, how can they assess costs for income tax against those operations in calculating subsidy?

57. To put it another way, how can they justifiably apply a cost of capital with an allowance for income tax when they are in fact claiming a loss?

58. Section 3:5 of the Terms of Reference of your Commission relates to cost profiles.

59. We wish to see these profiles separated in cost and revenue categories that will show the component parts of the cost category and how arrived at.

60. The profiles should then be separated by:

- a) total area
- b) by sub-division

Within these areas separated by main line, secondary main line and branch line.

61. We believe that the profiles must be in a form that laymen can understand.

62. 3:6 of the Terms of Reference relates to railway costs under a set of different grain handling and transportation assumptions.

63. On the basis of the issues, we have raised in our submission, and in the context of our Transportation Policy Statement, we would like to pursue this issue when you look at the second phase of the Commission's activities in conjunction with the Hall Commission.

64. We consider these issues raised, of importance to the final report of your Commission and request they be given due consideration in your analysis.

All of which is respectfully submitted by:

THE NATIONAL FARMERS UNION

CERTIFICATE OF SERVICE

N.F.U. #1

We hereby certify that we have mailed by first class mail a copy of the foregoing statement to all parties of record shown on the Commission's list dated March 19, 1976.

Dated this 5th day of April, 1976, at Regina,
Saskatchewan.

Alfred Moore

Alfred Moore
National Farmers Union

TELEPHONE (306) 652-9465
 TELEX 974 2515
 250C - 2ND AVENUE SOUTH, SASKATOON



national farmers union

**NFU Statement on Rail Transportation
 and Grain Handling**

Vancouver, B.C., March 13, 1974, 9:00 a.m.

Today, this country faces an emergency of crisis proportions in meeting our grain export commitments. Here is the present situation:

We presently have stocks on hand in export position of ^{11.9} / million bushels at Vancouver and 60 million at Thunder Bay. Boats in Vancouver loading, waiting or visible by Friday, March 15, number 40 and will require 37.4 million bushels, (18,700 cars.)

Information we have from Canadian Wheat Board sources indicate that in the period January 7 to March 8, the CNR was 5,412 cars short of its objective while the CPR was 13,310 cars under the target it had set for itself in grain movement during that period.

The short-fall on the West Coast is 11,533 cars (CN, 4,715; CP, 6,818) and at Thunder Bay 7,189 cars (CN, 697; CP, 6,492).

In total this represents a deficiency in movement of 37.5 million bushels and is now seriously impairing Canada's ability to meet its export grain commitments on schedule. (Translated into cars, this short-fall represents 18,750)

If this rate of shortfall were to continue from March 8 to July 31, the projected deficiency of requirements at west coast and lakehead terminal positions would total a staggering 90 million bushels, added to the short-fall already experienced.

In order for the Canadian Wheat Board to meet its export sales commitments in the balance of the current crop year, 74,550 cars of grain are required for west coast delivery and 104,600 cars are needed for Lakehead terminals for the period March 1 to July 31. This represents 8,100 average weekly car loadings between March 8 and July 31, or expressed another way, about 322 million bushels.

We have projected the shortfall of cars to export position to the end of July. Assuming the railroads continue delivering cars at the same rate as they have until this point in time, by the end of July there will be a total short-fall of 60,320 cars, 23,142 at Thunder Bay and 37,149 at Vancouver and Prince Rupert. This translates into a short-fall of 120.6 million bushels of grain. At current world prices this will mean a \$603 million loss of potential foreign exchange earnings to Canada, and a reduction of the income of prairie farmers by that amount.

If anything, we feel that our projections understate the situation. As you know, the annual problem of moving grain through the mountains in spring conditions will soon be upon us. This year, we are told there is a greater accumulation of snow in the mountains than normal. This will mean even more slides and washouts blocking the rail lines and delaying the movement of grain.

The situation in the mountains is compounded by a record accumulation of snow over much of the prairies. Grain movement on the prairies this spring will undoubtedly be hampered by washouts and slow orders on trains for safety reasons.

Because of these conditions, it is more probable that the railroads will fall behind the current rate of delivery upon spring break-up, rather than improve it. It is unlikely there will be enough time to catch up during June and July, once conditions improve again.

What, then, has led to this serious situation with grain movements that could cost our country \$603 million in foreign exchange earnings?

To answer that question it is necessary to examine each element of the grain handling chain from the grain bins on prairie farms to the holds of the boats loaded at the terminals.

There are four links in that chain: (i) deliveries by farmers to prairie elevators; (ii) elevator loadings of grain cars; (iii) rail movement of grain to export terminals; and (iv) terminal capacity to unload grain cars and clean and pour grain.

First, let's look at farm deliveries to elevators on the prairies. The 375 elevators we surveyed reported that on the average they are filled to 66 per cent of capacity; 57 reported they are plugged. This compares with reports by the Wheat Board that country elevators are filled to 76% of capacity. Stocks in Prairie elevators total 210.8 million bushels, more than enough to meet our immediate commitments. However, a considerable amount of grain will have to flow from the farms, through the elevators, into export position. In order to do that, it is absolutely necessary that the railroads provide sufficient cars and power to move this grain to export position and to prevent plugging of elevators.

To this end it is vital that we get the block system working again. It has proven itself in the past to be an efficient system for quickly moving a large quantity of grain. We have received reports from all over the prairies that the block system is not being followed properly by the railroads. In our opinion this is deliberate sabotage and it should be stopped immediately.

What about elevator loadings of grain cars? Is the problem there? All the evidence says it is not. We have never yet taxed the country elevator system on the prairies to its maximum ability to load cars and ship grain. The country elevator system loaded every one of the cars moved to export position in 1971-72 when we exported a record 831.6 million bushels. It has not changed appreciably since that time. If it could handle that volume without difficulty in 1971-72 why can't it do so today? Almost every elevator agent surveyed reported he could load far more grain than he has been required to this year if he could only get the cars. Many agents told us they could load 10 or 12 cars a week, but are only getting 2 or 3. Delays of up to 6 weeks after placing an order until a car is spotted for loading are common. This shows how absurd was the suggestion of a CNR official that elevators work on a seven-day week. They already have greater capacity on a five-day week than the railways have supplied cars for.

If the country elevators aren't the problem, let's take a look at the terminals, putting the railroads aside for the time being.

There are three main elements to the role of the terminal elevators in the grain chain: (i) unloading grain cars and storing the grain; (ii) cleaning grain; and (iii) pouring grain into the holds of ships.

Thunder Bay can handle 1500 cars per day and has been getting an average of 550 since January 7. Vancouver, Prince Rupert and Victoria can handle 952 cars a day and have been getting an average of 354. As a result, staff had to be reduced by 500 grain handlers at Thunder Bay recently and 55 on the West Coast. It seems reasonable, therefore, to conclude that the problem does not rest with the ability or performance of the terminal elevators to unload grain cars.

The pouring capacity of Thunder Bay terminals (terminal to boat) is a mammoth 32.8 million bushels per day (18,400 cars) and on the West Coast it is 9.9 million bushels a day (4,950 cars). This is much greater than the 1.1 million bushels a day (550 cars) unloaded on the average at Thunder Bay or the 708,000 bushels (354 cars) unloaded at Vancouver and Prince Rupert since January 7. Terminal pouring capacity, then, can't be the problem.

This leaves cleaning capacity as the only potential trouble spot in the terminals. Cleaning capacity is the limiting factor in determining an elevator's maximum through-put at both Thunder Bay and the West Coast. Thunder Bay has a cleaning capacity of 3.7 million bushels per day (1800 cars), while the capacity on the West Coast is 2.4 million bushels a day (1200 cars). Both these figures are again well above the average of 1.1 million bushels (550 cars) per day and 708,000 bushels per day (354 cars) delivered to Thunder Bay and the West Coast respectively this year. Terminal cleaning ability can't be the problem and, therefore, neither can the terminal elevators.

That leaves the railways.

Appended to this statement are four pages of evidence of gross mismanagement and neglect on the part of the railways that our organization gathered during a hurried and incomplete survey of country elevators on the prairies between

February 28 and March 3. I am sure we only scratched the surface and the cases of gross incompetence or deliberate sabotage we uncovered are duplicated in the hundreds at other delivery points across the prairies.

Despite the hurried nature of our survey, we were able to turn up enough evidence to completely condemn both railways for the sloppy and inadequate way they are performing in handling grain. Here are some of the things we found:

- . Delays of up to 38 days in spotting empty cars for loading between the time the car was ordered and when it was spotted with six-week delays common.

- . Twenty loaded cars sat for 45 days before they were moved from a siding at Perdue, Saskatchewan -- some of them, loaded at nearby elevators, for a total of 80 days.

- . Twenty-eight cars sat about a month at Foam Lake, 26 for 34 days at Luseland. Delays of 3 weeks to a month were common across the prairies for groups of two to twenty cars.

- . Sixty-two government of Canada hopper cars sat empty for more than a month at Wilkie, Sask.

- . Fifty-six empty grain cars have sat at Radville since February 24 and are still there.

- . Branch lines plugged with snow, which the railroads customarily abandon from December to May, despite the subsidies paid by the government to the railroads to maintain service and despite the fact these lines are protected until 1975.

(We refer you to the Appendices for documentation)

When these lines are abandoned and blocked with snow the grain in the elevators standing on them is stranded. On one such line, which runs between Rosetown and Perdue, we discovered half a million bushels of durum wheat in storage, and we know of similar situations on other lines. The Wheat Board is crying for durum, yet they probably won't be able to get that wheat out until June. It's worth about \$4 million and will have sat inaccessible for six months, before it can be moved in June.

Our survey goes a long way to explain the short-fall in grain at export position. The railways are inexcusably slow in filling orders for cars and in moving them when they are loaded. The problem with grain movement is a problem of management of the railroads.

There is no excuse for it. Both railroads have the physical capability to move grain into position in the needed quantity. Both have chosen not to do so. They have both chosen to subordinate Canada's national interests to their own corporate interests, and the CNR, despite the fact it is supposed to be a publicly owned corporation, is just as guilty as the CPR. This is just one more step in a continuing twenty-two year campaign by the railroads to break the Crowsnest Pass rates. This time they are holding the Canadian people to ransom to the tune of the \$603 million in the lost export earnings we now face.

It is not, however, too late to make up the shortfall and prevent this staggering income loss to Canada. Our grain car fleet now stands at about 44,000, half the 88,000 we had in 1952 because of deliberate sabotage of their grain handling capacity by the railroads, particularly the CPR, which has not put one single new grain car in service since then, while scrapping thousands. Not all of those cars are in grain service at any given time, however. Today there are 22,000 grain cars in service.

Even with that number we can meet our export commitments of 322 million bushels, if we reduced the turn-around time on grain cars to just under three weeks.

It can be done. In the 1972-73 crop year, railroads moved an average of 8,470 cars per week throughout the year. For the balance of this crop year, 8,100 car loads per week are required.

RECOMMENDATIONS:

1. The federal government needs to face up to the immediate problems which face farmers and the Canadian Wheat Board in meeting our grain export commitments.

This immediate short-range problem can be overcome by placing both railroads under the supervision of the Department of Transport and that they be ordered to extend top priority to grain movement between now and the end of the current crop year.

2. Priority in the discussions of the Ministers today should include:

- a) Identification of the railway bottlenecks and problem areas in the movement of grain and general cargo, through the Port of Vancouver and other West Coast ports.
- b) Calculation of capital requirements in up-grading railway facilities to meet cargo needs both in the present and for the projected future and once having done so initiate the needed changes.

3. In order to further facilitate these objectives, we once again reiterate our request to the federal Minister of Transport, Jean Marchand, that a Conference on Transportation be called of the interested parties, including elevator companies, railroad companies and the National Farmers Union to consider ways and means of improving the general performance of the railroad companies in the current and future movement of grain.

4. It is increasingly obvious from past and present performance of the railway companies in grain movement and other general cargo and from the general depreciation and depletion of their rolling stock and facilities that the need for integration of the railway companies through public ownership and management is drawing ever nearer. Only in this way can the emphasis in railway service become functional to economic development rather than toward the attainment and fulfillment of the profit motive.

DELAYS IN GETTING CARS FROM THE RAILROADS

<u>Delivery Point</u>	<u>Saskatchewan</u> <u>Delay</u>	<u>Railroad</u>
Whitewood	One elevator - no cars Dec. 20 to Feb. 20	CPR*
Fosterton	Cars ordered Dec. 21, delivered Feb. 21	CPR
Stewart Valley	No cars since January 15	CPR
Cudworth	31 day delay, November to Christmas	CNR
Peterson	25 day delay, November 29 to Dec. 24	CNR
Braemer	24 day delay	CNR
Rose Valley	Up to one month delay (20 cars behind now)	CPR
Red Deer Hill	Last cars three weeks late	CNR
MacDowell	Last cars three weeks late	CNR
Livelong	27 day delay, January 24 to Feb. 20	CNR
Theodore	77 day delay, December 5 to Feb. 21	CPR
West Bend	88 day delay, Dec. 11 to Feb. 26 -- 1 elevator 47 day delay, Jan. 10 to Feb. 26 -- 2nd elevator	(CPR
Kildeer	Last car December 31	CPR
Kyle	Last car December 23	CPR
Wynyard	Four-week wait on last cars. (Ordered for week 27, received week 31)	CPR
Pense	42 day delay (ordered week 26, received week 32)	CPR*
Qu'Appelle	6 week delay on one order, average 2 weeks	CPR*
Canopus	Last car December 27	CPR
Kildeer	Last car December 31	CPR
Main Centre	Orders over 6 weeks behind	CNR

* Denotes a delivery point located on a railroad's transcontinental main line.

(Delays in getting cars from the railroads, contd...)

<u>Delivery Point</u>	<u>Delay</u>	<u>Railroad</u>
	<u>Manitoba</u>	
Neepawa	12 cars promised for Jan. 14; 7 more for Jan. 21; 2 for Jan. 28; and 1 for Feb. 25. None had arrived when surveyed.	CPR
Basswood	Railroad one month behind	CPR
Laurier	No cars since mid-January	CNR
St. Rose Du Lac	No cars since December	CNR
Deloraine	Three-week delay in getting cars	CPR
Dand	Last cars December 30	CPR
Napinka	Cars are arriving three weeks late	CPR
Holland	Cars are arriving three weeks late	CPR
	<u>Alberta</u>	
Armena	No cars since Dec. 23	CNR
Barrhead	Delays of up to three weeks for cars	NAR
Leduc	Last car December 28	CPR
Dimsdale	Waited 22 days for cars	NAR
Clairmont	Longest wait: 6 weeks	NAR
Wembly	Waited 2 months	NAR
Beaver Lodge	Waited 3 weeks	NAR
Grande Prairie	Cars were a month late	NAR

DELAYS IN MOVING LOADED GRAIN CARS

Saskatchewan

<u>Delivery Point</u>	<u>Delay</u>	<u>Railroad</u>
Eyerson	2 week delay	CNR
Bemersyde	6 cars sat three weeks (Jan. 7-30)	CNR
Fleming	(1) 21 days, Feb. 6 to 27 (2) 13 days, Jan. 24 to Feb. 6 (3) 41 days, Dec. 23 to Feb. 7 -- 1 car	((CPR (
Wapella	3 cars for four weeks	CPR*
Candiac	4 cars sat 3 weeks	CNR
Mawer	4 cars sat forty days (Jan. 11 to Feb. 20)	CNR
Cudworth	Cars sat 15 to 20 days	CNR
Peterson	5 cars sat two weeks (Dec. 24 to Jan. 7)	CNR
Braemer	Cars sat 15 to 20 days	CNR
Prud'homme	20 cars sat 2 weeks (Aug. 24-Sept. 7)	CNR
Marriott	6 cars sat three weeks	CPR
Harris	5 cars sat for 1 month	CNR
Baldwinton	6 cars sat for 3 weeks (Dec. 21-Jan. 15)	CPR
Luseland	26 cars sat for 34 days (Jan. 14 to Feb. 17)	CPR
Salvador	13 cars sat for 34 days (Jan. 14 to Feb. 17)	CPR
Porcupine Plain	Cars sat for 24 days	CNR
Somme Siding	13 cars sat for 30 days (Dec. 14-Jan. 14)	CNR
Canwood	10 days -- average waiting time	CNR
Hoey	9 cars sat 3 weeks (late Dec., early Jan.)	CNR
Brancepeth	11 cars sat 3 weeks in Dec.	CNR
Richard	4 cars sat 30 days (Jan. 7-Feb. 6)	CNR
Environ	3 cars sat 60 days (Dec. 14 to Feb. 12)	CPR
Loningdale	9 cars sat 60 days (Dec. 14 to Feb. 12)	CPR
Atlee	Cars sat 60 days (Dec. 14 to Feb. 12)	CPR

* Denotes a delivery point located on a railroad's transcontinental main line.

(Delays in moving loaded grain cars - contd...)

<u>Delivery Point</u>	<u>Delay</u>	<u>Railroad</u>
Borden	cars sat 21 days (Feb. 16 to Mar. 6)	CPR
Allan	12 cars sat 14 days in January	CNR
Foam Lake	28 cars sat about a month from late Jan. to Feb. 27	CPR
Wilkie	4 cars sat 56 days (Dec. 29 to Feb. 24)	CPR
West Bend	3 cars sat 43 days (Jan. 14 to Feb. 26)	CPR
Bankend	7 cars sat 43 days (Jan. 14 to Feb. 26)	CPR
Wishart	17 cars sat 43 days (Jan. 14 to Feb. 26)	CPR
Perdue	20 cars sat 45 days (Jan. 8 to Feb. 22) (Some were loaded as early as Dec. 3, 80 days before they were removed from the area.)	CPR
Meadow Lake	20 cars sat 3 weeks before being moved out the week of Feb. 18	CPR
Simmie	11 cars loaded January 28, not yet picked up, more than 40 days later	CPR
Gull Lake	15 cars sat 1 week (Feb. 20 to 27)	CPR*
Mortlach	10 cars sat 3 weeks (Jan. to mid-Feb.)	CPR*
Willow Bunch	9 cars loaded Jan. 31 still not picked up over 40 days later.	CNR
Alida	9 cars sat 17 days (Jan. 4 to 21)	CPR
Golden Prairie	15 cars sat 21 days (Jan. 17 to Feb. 7)	CPR

Manitoba

Carey	cars sat 11 days	CPR
Niverville	cars stood 4 weeks	CPR
Lowefarm	5 cars sat 20 days (Jan. 25 to Feb. 14)	CNR
Dominion City	3 cars sat 19 days (Jan. 24 to Feb. 12)	CPR
Arnaud	6 cars sat 3 weeks (Jan. 3 to 24)	CPR
Basswood	4 cars sat for 2 weeks	CPR

(Delays in moving loaded grain cars - contd...)

<u>Delivery Point</u>	<u>Delay</u>	<u>Railroad</u>
<u>Alberta</u>		
Borradalle	7 cars sat 1 month (Dec. 15 to Jan. 15)	CNR
Strome	The following cars waited the following times: 119324 - 2 months, 1 week (Aug. 20 to Oct. 27) 117564 - 2 months, 1 week (Aug. 20 to Oct. 27) 112151 - 3 days short of 2 months (Dec. 7 to Feb. 4) 114273 - 3 days short of 1 month (Jan. 7 to Feb. 4)	CPR
Lougheed	12 cars sat 2 weeks	CPR
Forestburg	cars sat 3 weeks	CNR
Willingdon	3 weeks	CPR
Armena	3 cars sat 3 weeks (Jan. 3 to 24)	CNR
Innisfree	cars sat 3 weeks	CNR
Chipman	12 cars sat 3 weeks (late Dec. to mid-Jan.)	CNR
Mundare	cars sat 21 days	CNR
Meeting Creek	4 cars sat 1 month	CNR
Bashaw	4 cars sat over a month (July 21 to Aug. 25)	CNR
Clyde	cars sat 3 weeks	CNR
Barrhead	cars sat 2 weeks	NAR
Vegreville	cars sat 2 weeks	CN & CP
Lavoy	cars sat 2 weeks	CNR
Sexsmith	cars sat 10 to 14 days	NAR
Wembly	cars sat 3 weeks	NAR
Beaverlodge	cars sat 2 weeks	NAR

Car numbers for government hopper cars sitting at Wilkie, Sask., for over a month:

600044, - 053, 055, 062, 152, 157, 165, 168, 185, 208, 234, 284, 292, 307, 311, 328, 331, 337, 357, 362, 366, 374, 416, 417, 425, 443, 449, 517, 535, 541, 546, 558, 565, 608, 619, 646, 649, 701, 728, 764, 772, 775, 782, 799, 828, 830, 893, 896, 902, 915, 919, 925, 973, 974, 975, 976; 601012, - 034, 040, 049, 072.

Car numbers for empty cars sitting at Radville, Sask., since February 24:

426307, 422287, 420736, 5238, 421717, 483691, 5140, 424731, 534010, 6105, 424874, 539677, 429112, 421886, 422401, 483957, 424101, 421592, 481012, 423216, 519111, 4288, 424477, 511817, 429970, 424964, 52010, 428139, 421146, 475746, 424972, 478167, 424173, 428536, 424974, CP290666, 475134, 427379, Rock Island 62826, 481474, 422986, 484280, 420977, 427438, 421165, 477797, 421036, 426094, 5275, 527706, 421808, 521864, 535752, 512283, 422941.

484989, 538921 -- these two cars are full.

SNOW-PLUGGED BRANCH LINES ON WHICH SUBSIDIES ARE PAID

During the NFU's survey of elevators on the prairies, several branch lines were discovered that the railways had abandoned to the wind and the snow despite the fact they are paid subsidies on them to maintain service. Perhaps the most flagrant example of this policy of unilateral abandonment of protected lines by the railroads is the case of the Rockglen-Killdeer line. On that line the CPR has torn down all the protective snow fences and sold them. Many area farmers now have corrals made of old railroad snow fences.

<u>Branch Line</u>	<u>Railroad</u>	<u>Date Abandoned</u>	<u>1971 Subsidy</u>
Peebles-Handsworth	CNR		\$75,913
Baird-Stewart Valley	CPR	January 15	78,073
Perdue-North Rosetown	CPR	January 7	189,000
Dunblane-Beechy	CNR	February 8	290,671
Gunnworth-Matador	CPR	December 23	285,252
Milden-McMorran	CPR	December 23	260,347
(Plugged from Gunworth to McMorran, about 40 per cent of the line.)			
Moorepark-Varcoe	CPR		11,228
Greenway-Neelin	CNR (usually shut down Nov.-May)		51,948
White Bear	CNR	January 22	218,201

WEST COAST STOCK AND VESSEL POSITION AS AT MARCH 15

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>	<u>Non Boards</u>	<u>Total</u>
	<u>(In Millions of Bushels)</u>				
Stocks in Store	5.7	.8	1.6	3.8	11.9
Vessels Loading	4.1 (6)	1.0(1)	.1 (1)	.7 (2)	5.9 (10)
Vessels Waiting	10.0 (16)	-	-	-	10.0 (16)
Vessels Due Week 34	6.3 (10)	1.3 (1)	2.0 (3)	-	9.6 (14)
					<u>37.4</u> <u>40</u>

Bracketed numbers represent estimated vessels loading

ESTIMATED STOCKS IN STORE THUNDER BAY
AS AT MARCH 15

Wheat	26.7
Barley	15.3
Durum	4.2
Oats	.7
Non-Boards	4.2
By-Products	<u>9.3</u>
Total	60.4

SASKATCHEWAN WHEAT POOL AGENT STUDY

<u>Station</u>	<u>Rlwy.</u>	<u>Spotting, Loading and Removal*</u>
Goodwater	CNR	Nine cars spotted October 21, loaded same day, stood for 22 days after loading before removal on November 12.
Parkman	CNR	Five cars spotted October 9, loaded October 10, stood for 11 days after loading before removal on October 21.
Radville	CNR	Three cars spotted October 10, loaded same day, stood for 11 days after loading before removal on October 21.
Steelman	CNR	Four cars spotted October 15, loaded October 16, stood for 14 days after loading before removal on October 30.
Bromhead	CPR	Five cars spotted October 27, loaded October 28, stood for nine days after loading before removal on November 6.
Bulyea	CPR	Eight cars spotted October 3, loaded within three days, stood for 11-14 days after loading before removal October 17.
Esterhazy	CPR	Four cars spotted October 31, loaded same day, stood for 20 days after loading before removal on November 20.
Khedive	CPR	Four cars spotted October 3, loaded same day, stood for 15 days after loading before removal on October 18.
Killaly	CPR	Five cars spotted October 31, loaded within three days, stood for 17-20 days after loading before removal November 20.
Midale	CPR	Five cars spotted October 29, all loaded by next day, stood for 10-11 days after loading before removal November 10.
Southey	CPR	Seven cars spotted October 27-28, all loaded by October 29, stood for 17-19 days after loading before removal on November 15.
Storthoaks	CPR	Four cars spotted October 26, loaded by October 28, cars still standing on November 28.

Station	Rlwy.	Spotting, Loading and Removal*
Avonlea	CNR	Seven cars spotted October 6, loaded same day, stood for 9 days before removal on October 15.
Central Butte	CNR	Ten cars spotted October 3, all loaded by October 6, stood for 12-15 days after loading before removal on October 18.
Grayburn	CNR	Four cars spotted October 3, loaded same day, stood for 21 days after loading before removal on October 24.
Mawer	CNR	Six cars spotted October 3, all loaded within three days, stood for 16-19 days after loading before removal on October 22.
Rowletta	CNR	Two cars spotted October 3, loaded October 6, stood 23 days after loading before removal on October 29.
Assiniboia	CPR	Four cars spotted November 3, loaded November 5, stood 16 days after loading before removal on November 21.
Frontier	Cpr	Nine cars spotted November 9, loaded November 10, stood 30 days after loading before removal on December 10.
Golden Prairie	CPR	Ten cars spotted October 14, loaded by next day, stood for 24-25 days after loading before removal on November 8.
Vesper	CPR	Four cars spotted November 11, loaded following day, stood for 13 days after loading before removal on November 25.
Greenstreet	CPR	Ten cars spotted October 6, all loaded within four days, stood for 17-20 days after loading before removal on October 27.
Major	CPR	Five cars spotted November 25, loaded by following day, stood 13-14 days after loading before removal on December 9.
Beaufield	CNR	Seven cars spotted November 17, all loaded by following day, stood 16-17 days after loading before removal on December 4.

<u>Station</u>	<u>Rlwy.</u>	<u>Spotting, Loading and Removal*</u>
Cactus Lake	CNR	Ten cars spotted November 19, all loaded by following day, stood 12-13 days after loading before removal December 2.
Cando	CNR	Ten cars spotted October 17, loaded in three to six days, stood 21-24 days after loading before removal November 13.
Keatley	CNR	Four cars spotted October 24, loaded within three days, stood 22-25 days after loading before removal on November 18.
Snipe Lake	CNR	Three cars spotted November 13, loaded same day, stood 18 days after loading before removal Dec. 1.
Garrick	CPR	Two cars spotted October 7, loaded same day, stood 14 days after loading before removal October 21.
Bjorkdale	CNR	Four cars spotted November 25, loading completed following day, stood 13-14 days after loading before removal December 8.
MacNutt	CNR	Ten cars spotted October 8, loading completed by October 10, stood 12-14 days after loading before removal October 22.
Vonda	CNR	Four cars spotted October 5, loading completed by October 7, stood 10-11 days after loading before removal October 17.
Yellow Creek	CNR	Eleven cars spotted October 2, loading completed following day, stood 13-14 days after loading before removal October 16.

*Calendar days are used throughout rather than working days since railroads usually operate on a seven-day week and grain elevators usually on a five-day week.

